

INLAND EMPIRE REGIONAL WATER RECYCLING INITIATIVE

MAY 20, 2004.—Committed to the Committee of the Whole House on the State of
the Union and ordered to be printed

Mr. POMBO, from the Committee on Resources,
submitted the following

R E P O R T

[To accompany H.R. 2991]

[Including cost estimate of the Congressional Budget Office]

The Committee on Resources, to whom was referred the bill (H.R. 2991) to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the Inland Empire regional recycling project and in the Cucamonga County Water District recycling project, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

PURPOSE OF THE BILL

The purpose of H.R. 2991 is to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the Inland Empire regional recycling project and in the Cucamonga Valley Water District¹ recycling project.

BACKGROUND AND NEED FOR LEGISLATION

Many southern California communities depend on varied sources of water to meet rising demands. However, imported water supplies will continue to decrease in light of the historic Quantification Settlement Agreement and long-term drought. As a result of dwindling supplies and increasing demands, communities continue to seek non-traditional methods to produce dependable water sources. The

¹After the bill was introduced, the Cucamonga County Water District was renamed the Cucamonga Valley Water District.

principal methods to develop non-traditional water supplies in water-stressed areas are through water recycling and desalination. The primary goal of water recycling is to allow more potable water to be targeted for drinking water purposes. Desalination provides drinking water directly into the delivery system and is often blended with other sources.

Water recycling and desalination are growing trends throughout the Nation. The federal government's specific role in these efforts is the Title XVI program, also known as "The Reclamation Wastewater and Groundwater Study and Facilities Act." Authorized in 1992 and amended in 1996, the Title XVI program directs the Bureau of Reclamation to award federal grants to communities developing non-traditional water supplies. The Title XVI program allows for a 50% federal cost share for feasibility studies and a 25% Federal cost share for construction projects. The Committee notes that the significant local cost-share makes these projects attractive to private financing and partnerships and encourages regional solutions to complex water supply problems.

H.R. 2991 authorizes Title XVI funding for the Inland Empire Regional Water Recycling Project and the Cucamonga Valley Water District pilot satellite recycling plant in southern California. The bill would add a projected 75,000 new acre feet of water annually to one of the largest recycled water distribution systems in the Santa Ana River Watershed. Both the groundwater and surface water quality are impaired within the region. Groundwater impairment problems include perchlorate and volatile organic compounds. Some of the recycled water will be used to reclaim the groundwater basin and help drought-proof the service area. The recycling projects are proposed to be configured as "satellite" recycling plants, situated at higher elevations in some cases, with structures designed to blend into the local landscape. These satellite plants will develop the recycled water near where it will be used, offsetting the need for expensive energy costs for pumping. Thus, these plants will have an "energy-smart" design.

COMMITTEE ACTION

H.R. 2991 was introduced by Congressman David Dreier (R-CA) on September 3, 2003. The bill was referred to the Committee on Resources. Within the Committee on Resources the bill was referred to the Subcommittee on Water and Power. On September 10, 2003, the Subcommittee on Water and Power held a hearing on the bill. On October 30, 2003, a markup was held by the Subcommittee on Water and Power and the bill was forwarded to the full Resources Committee by voice vote without amendment. On May 5, 2004, the Full Resources Committee met to consider the bill. No amendments were offered and the bill was favorably reported to the House of Representatives by unanimous consent.

SECTION-BY-SECTION ANALYSIS

Section 1 authorizes Title XVI funding for two water recycling projects in the Inland Empire and Cucamonga County. The section authorizes the Secretary of the Interior to participate in the design, planning and construction of the Inland Empire Regional Water Recycling Project and the Cucamonga County Water District pilot

satellite recycling plant. The bill limits the federal cost share to 25% of the total costs of the projects, or \$20 million for the Inland Empire project and \$10 million for the Cucamonga County pilot project. Federal funds cannot be used for operation and maintenance costs.

COMMITTEE OVERSIGHT FINDINGS AND RECOMMENDATIONS

Regarding clause 2(b)(1) of rule X and clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the Committee on Resources' oversight findings and recommendations are reflected in the body of this report.

CONSTITUTIONAL AUTHORITY STATEMENT

Article I, section 8 of the Constitution of the United States grants Congress the authority to enact this bill.

COMPLIANCE WITH HOUSE RULE XIII

1. Cost of Legislation. Clause 3(d)(2) of rule XIII of the Rules of the House of Representatives requires an estimate and a comparison by the Committee of the costs which would be incurred in carrying out this bill. However, clause 3(d)(3)(B) of that rule provides that this requirement does not apply when the Committee has included in its report a timely submitted cost estimate of the bill prepared by the Director of the Congressional Budget Office under section 402 of the Congressional Budget Act of 1974.

2. Congressional Budget Act. As required by clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a) of the Congressional Budget Act of 1974, this bill does not contain any new budget authority, spending authority, credit authority, or an increase or decrease in revenues or tax expenditures.

3. General Performance Goals and Objectives. As required by clause 3(c)(4) of rule XIII, the general performance goal or objective of this bill is "to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the Inland Empire regional recycling project and in the Cucamonga County Water District recycling project."

4. Congressional Budget Office Cost Estimate. Under clause 3(c)(3) of rule XIII of the Rules of the House of Representatives and section 403 of the Congressional Budget Act of 1974, the Committee has received the following cost estimate for this bill from the Director of the Congressional Budget Office:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, May 18, 2004.

Hon. RICHARD W. POMBO,
*Chairman, Committee on Resources,
House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 2991, the Inland Empire Regional Water Recycling Initiative.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Julie Middleton.

Sincerely,

ELIZABETH M. ROBINSON
(For Douglas Holtz-Eakin, Director).

Enclosure.

H.R. 2991—Inland Empire Regional Water Recycling Initiative

Summary: H.R. 2991 would authorize the Secretary of the Interior to participate in the design, planning, and construction of the Inland Empire regional water recycling project and the Cucamonga County Water District pilot satellite recycling plant. This bill would authorize the appropriation of \$30 million for the federal share of both projects.

Assuming appropriation of the authorized amounts, CBO estimates that implementing H.R. 2991 would cost \$26 million over the 2005–2009 period and \$4 million after 2009. Enacting this bill would not affect direct spending or revenues.

H.R. 2991 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

Estimated Cost to the Federal Government: The estimated budgetary impact of H.R. 2991 is shown in the following table. The costs of this legislation fall within budget function 300 (natural resources and environment).

For this estimate, CBO assumes that H.R. 2991 will be enacted near the end of fiscal year 2004 and that the authorized amounts will be appropriated in equal amounts over the 2005–2009 period. This bill would authorize the appropriation of \$20 million for the Inland Empire recycling project and \$10 million for the Cucamonga County recycling plant. Based on information from the Bureau of Reclamation, CBO estimates that implementing the projects outlined in this bill would cost \$26 million over the 2005–2009 period and \$4 million after 2009.

	By fiscal year, in millions of dollars—				
	2005	2006	2007	2008	2009
CHANGES IN SPENDING SUBJECT TO APPROPRIATION					
Inland Empire Recycling Project:					
Authorization level	4	4	4	4	4
Estimated outlays	2	3	3	4	4
Cucamonga County Recycling Plant:					
Authorization level	4	3	3	0	0
Estimated outlays	2	2	3	2	1
Total changes:					
Authorization level	8	7	7	4	4
Estimated outlays	4	5	6	6	5

Intergovernmental and private-sector impact: H.R. 2991 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments. The federal funds authorized by this bill would benefit local governments in California. Any costs incurred by these governments to provide the required matching funds would be voluntary.

Estimate prepared by: Federal Costs: Julie Middleton. Impact on State, Local, and Tribal Governments: Marjorie Miller. Impact on the Private Sector: Patrice Gordon.

Estimate approved by: Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.

COMPLIANCE WITH PUBLIC LAW 104-4

This bill contains no unfunded mandates.

PREEMPTION OF STATE, LOCAL OR TRIBAL LAW

This bill is not intended to preempt any State, local or tribal law.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (new matter is printed in italic and existing law in which no change is proposed is shown in roman):

RECLAMATION PROJECTS AUTHORIZATION AND ADJUSTMENT ACT OF 1992

(Public Law 102-575)

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SEC. 2. DEFINITION AND TABLE OF CONTENTS.

For purposes of this Act, the term “Secretary” means the Secretary of the Interior.

TABLE OF CONTENTS

Sec. 1. Short title.

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TITLE XVI—RECLAMATION WASTEWATER AND GROUNDWATER STUDIES

Sec. 1601. Short title.

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Sec. 1635. Inland Empire Regional Water Recycling Program.

Sec. 1636. Cucamonga County Water Recycling Project.

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TITLE XVI—RECLAMATION WASTEWATER AND GROUNDWATER STUDIES

SEC. 1601. SHORT TITLE.

This title may be referred to as the “Reclamation Wastewater and Groundwater Study and Facilities Act”.

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SEC. 1635. INLAND EMPIRE REGIONAL WATER RECYCLING PROJECT.

(a) *IN GENERAL.*—The Secretary, in cooperation with the Inland Empire Utilities Agency, may participate in the design, planning, and construction of the Inland Empire regional water recycling project described in the report submitted under section 1606(c).

(b) *COST SHARING.*—The Federal share of the cost of the project described in subsection (a) shall not exceed 25 percent of the total cost of the project.

(c) *LIMITATION.*—Funds provided by the Secretary shall not be used for operation and maintenance of the project described in subsection (a).

(d) *AUTHORIZATION OF APPROPRIATIONS.*—There is authorized to be appropriated to carry out this section \$20,000,000.

SEC. 1636. CUCAMONGA COUNTY WATER DISTRICT.

(a) *IN GENERAL.*—The Secretary, in cooperation with the Cucamonga County Water District, may participate in the design, planning, and construction of the Cucamonga County Water District pilot satellite recycling plant in Rancho Cucamonga, California, to reclaim and recycle approximately 2 million gallons per day of domestic wastewater.

(b) *COST SHARING.*—The Federal share of the cost of the project described in subsection (a) shall not exceed 25 percent of the capital cost of the project.

(c) *LIMITATION.*—Funds provided by the Secretary shall not be used for operation and maintenance of the project described in subsection (a).

(d) *AUTHORIZATION OF APPROPRIATIONS.*—There is authorized to be appropriated to carry out this section, \$10,000,000.